



NEWS RELEASE

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SBA ADMINISTRATOR LINKS ECONOMIC PROSPERITY TO ENTREPRENEURSHIP AMONG WOMEN

Alvarez Announces Study on Initiatives to Promote Women Business Ownership

WASHINGTON – Barriers to women entrepreneurs must come down to keep pace with emerging and thriving economies, Aida Alvarez, Administrator of the U.S. Small Business Administration (SBA) pointed out at the Organization for Economic Cooperation and Development (OECD) conference in Paris today.

As the leader of the U.S. delegation to this second OECD conference on women in small and medium enterprises, Administrator Alvarez underscored the importance of women-owned businesses for developing and sustaining national economies.

“Barriers to loans, venture capital, and information must be eliminated. Although women entrepreneurs face unique obstacles in starting or growing a business, there are many more ways to overcome these obstacles with today’s new technology,” said the Administrator. **“Successful economies are directly linked to the success of women entrepreneurs.”**

Under the theme “Realizing the Benefits of Globalization and the Knowledge-based Economy,” the 50-country conference explored key issues and policies related to women’s entrepreneurship and the participation of women-owned businesses in international trade.

At the conference, Administrator Alvarez announced the release of a new study, “United States Case Study: Successful Public and Private Sector Initiatives Fostering the Growth of Women’s Business Ownership” and planned to provide 500 copies of the study to conference delegates. The study highlights programs that have been successfully implemented by both government agencies and private organizations. It showcases the ways public-private partnership can help bridge the gap for women in obtaining more access to capital, businesses counseling, and other assistance.

The conference in Paris is a follow-up to the OECD’s 35-country April 1997 conference for women entrepreneurs that focused on common issues and challenges facing women-owned businesses and on identifying best practices around the world. The conference put forth actions to be taken by government, business, financial institutions, and associations. Public and private sector initiatives to facilitate the growth and development of women-owned businesses were also recommended.

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The conference today reviews the developments that have taken place since 1997 and assesses the extent to which the recommendations have been implemented by public and private decision-makers in member and non-member countries. It looks to the future to determine what action is needed to ensure and improve the growth and development of women-owned businesses.

The conference focused in particular on four main themes:

Improving knowledge about female entrepreneurship and its role in society and the economy.

- Improving knowledge about the financing of women-owned businesses and removing obstacles in this area.
- Increased participation of women-owned businesses in international trade and the global economy, in particular through the use of new technologies and international networking.
- Fostering an entrepreneurial culture for women through education, management training and changes in societal values.

“Our purpose at this conference is to learn and share best practices –what’s working and what’s not working for women entrepreneurs around the world,” said Administrator Alvarez. **“It’s important that U.S. women stay plugged-in to the growing world economy and that we prosper together.”**

According to the National Foundation of Women Business Owners, women-owned businesses account for almost 40 percent of all businesses in the U.S. There are 9.1 million women-owned businesses in the U.S., employing over 27.5 million people and generating over \$3.6 trillion in sales.

While access to credit remains the number one obstacle to U.S. women entrepreneurs starting and expanding their businesses – the SBA has tripled the number of business loans to women entrepreneurs in recent years. Since FY 1992, the SBA has backed more than 83,000 loans amounting to more than \$12 billion for women-owned small businesses. In fiscal year 2000 alone, the SBA backed almost 11,000 loans worth almost \$2 billion for women entrepreneurs.

The SBA also has contributed to the expansion of business opportunities through its technical assistance programs. The SBA also offers a network of 90 community-based women’s business centers providing business and technical assistance to women. The centers provide long-term training, counseling, networking, and mentoring to potential and existing entrepreneurs. The SBA also offers the Online Women’s Business Center at www.onlinewbc.org. The Web site is free and offers information on how to start or grow a business. In addition to English, the Web site currently is available in Spanish, Russian, Chinese, Japanese, and Icelandic. It will soon also be available in French and Arabic.

“Creating the programs and policies that support women-owned businesses and allowing them to flourish in a competitive economic environment—are the greatest challenges of the day,” according to Alvarez.

For more information on all of SBA’s programs for small businesses, call the SBA Answer Desk at 1 800 U ASK SBA, or visit the SBA’s extensive Web site at www.sba.gov.